GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3692
ANSWERED ON:24.03.2017
Import Safeguard Duty
Patil Shri A.T. (Nana)

Will the Minister of FINANCE be pleased to state:

(a) whether the Directorate General of Safeguards has decided not to impose safeguard duty on unwrought aluminium products;

(b) if so, the details thereof along with the reasons therefor; and

(c) the other steps taken by the Government to protect the interests of domestic aluminium producers?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SANTOSH KUMAR GANGWAR)

(a) and (b): The Director General (Safeguards) has conducted investigations regarding existenceof 'serious injury or threat of serious injury' to the domestic industry as a result of imports of unwrought aluminium and has not recommended imposition of safeguard duty on such products in the final findings notification dated 13.12.2016, inter alia, on the following grounds,-
(i) Market share, production, domestic sales and productivity of the domestic aluminium industry had improved and capacity utilization was almost at 100% during the period of investigation;
(ii) The landed price of imports was higher than the selling prices and cost of sales of the domestic industry during the period under investigation and price undercutting was negative;
(iii) Analysis of post period of investigation data showed that imports were decreasing whereas production and sales of domestic industry had increased;
(iv) An injury to the domestic industry existed, but there was no serious injury or threat of serious injury to the domestic industry during the period of investigation and hence no protection under the safeguard law was required.
(c): To protect the interest of the domestic aluminium producers, the Government of India has increased the basic customs duty on primary aluminium products in the Budget 2016-17.

******